

Relationship between SME Financing and Livelihood Standard: Evidence from Bangladesh

Shakhawat Hossain Sarkar*

Professor, Department of Accounting and Information Systems, Jatiya Kabi Kazi Nazrul Islam University,
Bangladesh

*Corresponding Author's Email: sarkar_knu@yahoo.com

Sumaiya Aktar

Lecturer, Department of Economics, Kazi Azimuddin College, Gazipur, Bangladesh

Received Date: 13 June 2023

Accepted Date: 04 September 2023

Available Online: 15 September 2023

ABSTRACT

Small and medium enterprises (SMEs) play significant roles in individuals' socioeconomic development vis-à-vis a country's national development. The study aimed to evaluate the relationship between SME financing and the development of livelihood standards in Bangladesh. Primary sources of data were collected from the respondents by administering a semi-structured questionnaire at different Upazila under the Mymensingh district. The dichotomous variable was applied to determine the relationship where a score of '1' was assigned if the item complied and '0' otherwise. Frequency, percentile, likelihood-ratio chi-square, Fisher's exact test, and paired sample test were used to get the result. The likelihood-ratio value specifies a significant relationship between the development of livelihood standards and the length of business at 5 per cent and the development of livelihood standards and SME finance at a 6.4 per cent level of significance. Sex, education level, training on SME of the respondents, ownership type, the share of the loan, and business nature has an insignificant relationship with the development of livelihood standard. Paired samples test indicates a positive relationship between livelihood development stimuli (LDS) and the development of livelihood standards. The study will enrich the literature on SME financing and the socioeconomic development of individuals and a country. The findings of the study will be helpful for the policy-making and implementation-level authorities to make suitable policies regarding SME financing. There is a generalisation limitation because the study only covered one district out of sixty-four districts in Bangladesh. Future research should overcome the limitation.

Keywords: SME Finance, Development, Livelihood Standard, Bangladesh.

INTRODUCTION

Small and medium enterprises (SMEs) play an imperative responsibility as a tool for economic growth in many countries like Bangladesh. It provides low-cost employment opportunities, expands the scope of employment and accelerates economic growth. Japan is an example of a world-leading economy country based on SMEs using SME finance. There is a consensus that a vibrant SME sector is one of the principal driving forces for developing the economy of Bangladesh. SMEs encourage private ownership and entrepreneurial skills and can adapt quickly to changing market conditions, create employment, help diversify economic operations, and contribute significantly to exports that lead to a positive balance of trade. SME provide the foundation of sustainable growth and stimulate income in developing and underdeveloped economies. It is more suitable for a densely populated country like Bangladesh due to increased employment with low investment. SMEs boost the livelihood standard of the people of a country compared to other activities. The liberalisation of the economy and rapid globalisation has posed severe challenges to SMEs in the international market and the domestic economy. Since SMEs are based on a relatively small investment, their survival depends on a well-regulated market with easy access.

BACKGROUND OF THE STUDY

Small and medium enterprises (SMEs) play a vital role in the economic development of any country like Bangladesh, but sometimes, they face troubles owing to a lack of funds (Afsana et al., 2015). The contribution of SMEs in pouring economic growth and boosting employment is nowadays unquestioned (Casagrande et al., 2018). There is no doubt of the essence of finance for the continuing, sustainable growth and profitability of SMEs to facilitate the creation of new businesses and promote the development and expansion of businesses to boost national economic growth (Abdulsaleh & Worthington, 2013). SMEs are globally established tools for empowering the citizenry and economic growth (Al-Haddad et al., 2019). Bangladesh has thus far, to maximise the benefits derived from the SME sector, needs to play an imperative role in expanding and sustaining the industrial vis-à-vis economic growth (Ahmed, 2003, cited in Islam et al., 2011). SMEs are essential for sustainable economic development in developing economies because they generate employment, diversify local technology output, develop indigenous entrepreneurship, and foster integration with large-scale industries (Qamruzzaman, 2015). Seven elements influence SMEs' financial achievements: size, age, internationalisation, network, innovation, public institutions, and capital structure (Garcia-Martinez et al., 2023). SMEs provide the foundations for sustainable growth and rising income in less developed and transitional economies (Islam et al., 2014). Enabling financial inclusivity is important in fostering SMEs' expansion (Eton et al., 2021).

It is particularly suitable for tightly populated countries like Bangladesh because it can provide immense employment opportunities with much lower investment (Alauddin & Chowdhury, 2015). Literature is replete with research on the relationship between SME development and poverty alleviation in terms of income and employment creation (Bowale & Ilesanmi, 2014). The importance of SME financing in developing countries has been extensive research in the development economics literature (Berger & Udell, 1998, 2006; Beck et al., 2006; Demirguc-kunt, 2007; Stiglitz & Weiss, 1981, cited in Jaabi, 2018). Households engaged in small-to-medium-sized forest enterprises (SMFE) related activities earn 3% more income and possess about 24% more assets in Pakistan (Zada et al., 2019). Taking loans people's income rise and maintain the overall costs regarding food expense, health care and education expenses; they can take more saving schemes, which is a good and positive impact on the economy in Bangladesh (Khandakar et al., 2016).

SMEs' contribution to developing a new entrepreneur is satisfactory but not outstanding in Bangladesh (Sarkar et al., 2018). It has a positive impact on the children's education of the loan holders and keeps a positive impact on economic development by increasing literacy and creating employment, both male and female, in Bangladesh (Khandakar et al., 2016). SMEs have a noteworthy contribution to GDP, employment generation, poverty alleviation and women empowerment. Almost 90 per cent of the private ventures are SMEs in Bangladesh, and about 70 to 80 per cent of the non-agricultural workforce is working there (Qamruzzaman, 2015). The Bangladesh bank governor mentioned that 2 per cent of poverty is reduced every year in Bangladesh as a result, in 2014, the number of people who lived under the poverty line was 27 per cent (Uddin, 2014).

The process accelerated the way of reaching the goal of becoming a middle-income country within a short period, emphasising the development of the livelihood standard of the people through the establishment of SMEs under SME financing. In this background, it is an urgent issue to determine the relationship between SME financing and the livelihood standard of the people in Bangladesh. The study is an attempt to find out the answers to those questions through a systematic procedure.

JUSTIFICATION OF THE STUDY

Bangladesh is a compactly populated country with limited natural resources. There are ample opportunities to use limited resources in a planned way. Literature supports that SMEs positively contributed to accelerating the livelihood standard of the people in different developing and underdeveloped countries. So, there is ample opportunity for Bangladesh to develop the livelihood standard of the country's people using SME finance. It is necessary to find out the

scenario of SME finance's contribution to the development of livelihood standards of the people of Bangladesh.

The researcher expects that the study's findings will add value to the existing knowledge in SMEs, especially on the contribution of SME finance to the socio-economic development of the people of Bangladesh. The findings of the study also would help to make suitable policy measures to accelerate the development of the livelihood standard of people using SME finance.

LITERATURE REVIEW

This section presents a summary of related and relevant available literature on the internet at home and abroad, emphasising finding out the research gap, raising the research questions, and specifying the scope of the present research. The outcome of the review of the literature is presented below, considering the above needs.

SMEs are the leading carriers of any economy around the globe. These enterprises are considered engines of growth (Abdin, 2015). SMEs act as catalysts in the economic development of developed and developing countries. The performance and growth of SMEs are a sign of the level of industrialisation and employment for those who are able and willing to work, equitable distribution of income, and the welfare and quality of life of the citizenry (Aremu & Adeyemi, 2011, cited in Eniola, 2014). They augment social wealth by creating new markets, industries, technology, institutional forms, jobs and net increases in real productivity, increasing income and bringing the population a higher standard of living. It is logical to state that the poverty indicators will decrease if the number of entrepreneurs in any given country increases (Ali & Ali, 2013, cited in Bhuiyan & Bakar, 2014). A robust and favorable connection between human resources performance and the financial outcomes of SMEs in Somalia (Zayed et al., 2022). The SME sector in Bangladesh generates a significant portion of job opportunities because SMEs are highly labour-oriented (Uddin, 2014). SME finance is the financial support of small and medium-sized enterprises and represents a significant function of the general business finance market (Saravanan, 2013). SMEs in Nigeria compose more than 90 per cent of Nigerian businesses; their contribution to the nation's GDP is below 10 per cent, whereas, in the USA, Europe and the UK, the GDP input is well over 40 per cent (Gbandi & Amisah, 2014). Indonesian SMEs contributed approximately 60.34 per cent to Indonesia's GDP in 2018 (Panjaitan et al., 2020). A strong affirmative relationship between SMFEs and upgrading a rural community's livelihood in Pakistan (Zada et al., 2019). SMEs finance and implications for marketing as the ultimate source of profitable growth through exchanges and wealth creation to eradicate poverty in Nigeria (Asikhia, 2010). The SMEs play a vital role in the Indian economic structure due to their significant output, exports and employment (Venkatesh & Muthiah, 2012). SMEs positively affect the GDP and employment because SMEs

contribute nearly 40 per cent of India's domestic production and 50 per cent of total exports (Saravanan, 2013). SMEs have assumed particular implications for poverty reduction programs and potential contributions to Bangladesh's overall industrial and economic growth (Chowdhury et al., 2013). From 1999 to 2007, creating a job through the SME sector was more significant in the USA than in the large enterprise sector. This position slightly developed after the world economic meltdown in 2008 (OCDE, 2010). The SMEs put in up to 25 per cent of GDP, 40 per cent of gross industrialised production and approximately 25 per cent of the total labour force (Mintoo, 2007 cited in Qamruzzaman, 2015). The business listing, business size, nature of the business, and capital sources are the main determining factors of income and employment generation of SMEs (Bowale & Ilesanmi, 2014). There is an affirmative connection between SMEs and unemployment reduction and an increase in income level (Al-Haddad et al., 2019). Ongoing obstacles in obtaining financing for SMEs in The Gambia impede the overall socio-economic development on a larger scale (Jaabi, 2018). SMEs positively impact economic development by creating employment for both males and females and increasing the literacy rate in Bangladesh (Khandakar et al., 2016). The success rate of SME financing is very high, and the GDP contribution is noteworthy in Bangladesh, but the SME loan disbursement is lower than the industrial loan (Bosri, 2016). The average charge of outside financing of SMEs is about 29 per cent in developing countries, which is high enough to conduct a business properly (Ali et al., 2019). SMEs have significant input on GDP, creation of employment, poverty mitigation, women empowerment and the small and cottage industry sector in Bangladesh (Alauddin et al., 2015). Small banks have no additional inducement to provide SME loans in Bangladesh based on collateral security than large banks (Rahman et al., 2016).

The above literature demands an in-depth study that emphasises the relationship between SME financing and the development of livelihood standards in Bangladesh. The study attempts to fulfil this need through a systematic method.

RESEARCH METHODOLOGY

This is empirical research based on primary sources of data. The sample includes 115 entrepreneurs who have taken SME loans from NGOs and commercial banks of Bangladesh situated at diverse Upazila in Mymensingh district.

The study considered ten predictor variables and one dependent variable based on the review of related literature to determine the relationship between SME financing and the livelihood standard of the people. 'Livelihood standard' is considered the dependent variable, and the following items (Table 1) are the predictors in the study.

Table 1 Predictors for determining the relationship between SME financing and livelihood standard

No.	Predictors
1.	Taking SME finance from any organisation
2.	The ability of the entrepreneur to use SME finance in the business
3.	Training on the use of SME finance
4.	Inspired by the SME financing organisation for starting a business
5.	Advised by the SME financing organisation to start a business
6.	Starting a business using SME finance
7.	SME financing for entrepreneurship development
8.	Employees' cooperativeness of SME financing organisations
9.	Terms of a loan of SME finance
10.	Availability of SME finance facilities

Source: Review of Related Literature

Data for the study was collected from primary sources using a semi-structured questionnaire. The questionnaire was a set of open-ended and close-ended questions related to SME financing and the development of livelihood standards of the people in Bangladesh.

A dichotomous procedure was followed where each variable was awarded a score of '1' if the condition was 'yes' and '0' otherwise to ascertain livelihood standard developments.

Comprising the predictors of livelihood development stimuli (LDS), a suitable index was developed. To find out the LDS scenario, ten items (Table 1) were selected through the review of related literature. The unweighted index approach is used to measure the extent of the application of those stimuli. Comprising the score of the stimuli items LDS for each entrepreneur, developed as follows:

$$LDS = \sum_{i=1}^n d_i$$

Where, $d = 1$ if the entrepreneur applied the stimuli on the item d_i

$d = 0$ if the entrepreneur has not applied the stimuli on item d_i

$n =$ number of items

Frequency, percentile, likelihood-ratio chi-square, Fisher's exact test, and paired sample test were applied using SPSS version 20.

Nine hypotheses were developed and tested, the same in the result and discussion section.

FINDINGS

The section is divided into two parts. In the first part, test the hypotheses and interpret the results. The second part test the relationship between SME finance and the development of livelihood standard.

Result of Hypotheses and Discussion

In the section, some hypotheses were developed and tested the same to find out the result. Discussion and clarification were made for a better understanding of the effect in the segment.

Development of livelihood standards and gender

H₀: Development of livelihood standards using SME finance and sex are not interrelated.

H₁: The development of livelihood standards using SME finance and sex are interrelated.

Let us consider a 2 × 2 cross table

	True	False	Total
Positive	a	b	a + b
Negative	c	d	c + d
Total	a + c	b + d	N = a+b+c+d

The test statistic is

$$LR = \frac{a(c + d)}{c(a + b)} \dots \dots \dots (1)$$

and

$$\chi^2 = \sum_{i=1}^r \sum_{c=1}^c \frac{(O_{ij} - E_{ij})^2}{E_{ij}} \sim \chi^2_{(r-1)(c-1)}$$

Table 2 Distribution of livelihood standard and sex

Livelihood Standard	Sex		Total
	Male	Female	
Yes	97.8	95.8	97.4
No	2.2	4.2	2.6
Total	100.0	100.0	100.0

LR = 0.25, p-value=0.617

Source: Analysis of Primary Data

Table 2 shows the percentage distribution of livelihood standards by sex. The table observed that 97.8 per cent of male’s livelihood standard was ‘Yes’, which is the maximum, and the

corresponding female shows 95.8 per cent, the second highest. The opposite picture is shown in the ‘No’ livelihood standard. Likelihood-ratio test showed that sex and ‘livelihood standard development using SME finance’ is 0.25, and the p-value is 0.617. The result implies no relationship between livelihood standard and sex at a 5 per cent level of significance.

Development of livelihood standards and SME finance

H₀: The development of livelihood standards and SME finance are not interrelated.

H₁: The development of livelihood standards and SME finance are interrelated.

Table 3 Distribution of livelihood standard and SME finance

SME Financing	Livelihood Standard		Total
	Yes	No	
No	1.0	11.1	2.6
Yes	99.0	88.9	97.4
Total	100.0	100.0	100.0

LR = 0.056, p-value = 0.064

Source: Analysis of Primary Data

Table 3 shows the distribution of livelihood standards and SME financing. The table demonstrates that 99.0 per cent of respondents enhance livelihood standards through SME financing. Fisher's Exact Test value is 0.056, and the p-value is 0.064. This result implies that SME financing helps develop the livelihood standard at a 6.4 per cent level of significance.

Development of livelihood standards and education level

H₀: Livelihood standard and education level are independent.

H₁: Livelihood standard and education level are dependent.

Table 4 Distribution of livelihood standard and education level

Education Level	Livelihood Standard		Total
	Yes	No	
Below SSC	53.2	33.3	52.6
SSC	22.5	0.0	21.9
HSC	16.2	33.3	16.7
Graduate	6.3	33.3	7.0
Master	0.9	0.0	0.9
Others	0.9	0.0	0.9
Total	100.0	100.0	100.0

LR = 3.710, p-value = 0.592

Source: Analysis of Primary Data

Table 4 shows the distribution of livelihood standards and education levels. The table shows that 53.2 per cent of the respondent's education level is below SSC, whose livelihood standard was positive 'Yes'. Here, the likelihood-ratio value is 3.710, and the p-value is 0.592. This result implies that the livelihood standard and education level are independent at a 5.0 per cent level of significance.

Development of livelihood standard and ownership type

H₀: There is no relationship between livelihood standard and ownership type.

H₁: There is a relationship between livelihood standard and ownership type.

Table 5 Distribution of livelihood standard and ownership type

Ownership Type	Livelihood Standard		Total
	Yes	No	
Sole Proprietorship	95.5	100.0	95.6
Partnership	2.7	0.0	2.6
Others	1.8	0.0	1.8
Total	100.0	100.0	100.0

LR = 0.273, p-value = 0.872

Source: Analysis of Primary Data

Table 5 shows the distribution of livelihood standards and ownership type. This table illustrates that 95.5 per cent of respondents' ownership type is sole proprietorship whose livelihood standard is positive 'Yes'. Here, the likelihood-ratio value is 0.273, and the p-value is 0.872. The result indicates no relationship between livelihood standard and ownership type at a 5.0 per cent level of significance.

Livelihood standard and share of loan

H₀: There is no relationship between livelihood standard and a share of the loan.

H₁: There is a relationship between livelihood standards and a share of the loan.

Table 6 Distribution of livelihood standard and share of loan

Share of Loan	Livelihood Standard		Total
	Yes	No	
Below 25%	46.1	50.0	46.2
25 to less than 50%	25.5	0.0	25.0
50% to Less than 75%	24.5	50.0	25.0
75% to less than 100%	3.9	0.0	3.8
Total	100.0	100.0	100.0

LR = 1.568, p-value = 0.667

Source: Analysis of Primary Data

Table 6 shows the distribution of livelihood standards and share of the loan. The table indicates that 46.1 per cent of respondents' share of the loan is less than 25 per cent, whose livelihood standard is positive 'Yes'. Here, the likelihood-ratio value is 1.568, and the p-value is 0.667. The outcome implies no relationship between livelihood standard and loan share at a 5.0 per cent level of significance.

Livelihood standards and training on SME

H₀: There is no relationship between livelihood standards and training on SMEs.

H₁: There is a relationship between livelihood standards and training for SMEs.

Table 7 Distribution of livelihood standards and training on SME

Training on SME	Livelihood Standard		Total
	Yes	No	
No	77.5	100.0	78.1
Yes	22.5	0.0	21.9
Total	100.0	100.0	100.0

LR = 1.001, p-value = 0.472

Source: Analysis of Primary Data

Table 7 shows the distribution of livelihood standards and training for SMEs. The table indicates that 77.5 per cent of respondents have no training on SMEs whose livelihood standard is 'Yes'. Here, the likelihood-ratio value is 1.001, and the p-value is 0.472. The result points out that there is no relationship between livelihood standards and training on SMEs at a 5.0 per cent level of significance.

Livelihood standard and length of the business

H₀: There is no relationship between livelihood standards and length of business.

H₁: There is a relationship between livelihood standards and length of business.

Table 8 Distribution of livelihood standard and length of the business

Length of Business	Livelihood Standard		Total
	Yes	No	
0-5 Year	37.8	33.3	37.7
6-10 Year	29.7	0.0	28.9
11-15 Year	19.8	0.0	19.3
More than 15 Year	12.6	66.7	14.0
Total	100.0	100.0	100.0

LR = 7.193, p-value = 0.042

Source: Analysis of Primary Data

Table 8 shows the distribution of livelihood standards and the duration of business. The table implies that 37.8 per cent of respondents' length of business was 0-5 years whose livelihood standard is affirmative 'Yes'. Here, the likelihood-ratio value is 7.193, and the p-value is 0.042. This result implies a relationship between livelihood standard and duration of business at a 5.0 per cent level of significance.

Livelihood standards and business nature

H₀: There is no relationship between livelihood standards and business nature.

H₁: There is a relationship between livelihood standards and business nature.

Table 9 Distribution of livelihood standard and business nature

Business Nature	Livelihood Standard		Total
	Yes	No	
Production Oriented	10.8	0.0	10.5
Agro-based	17.1	33.3	17.5
Food and Beverage	10.8	0.0	10.5
Weave	2.7	0.0	2.6
Handloom	6.3	0.0	6.1
Service	9.9	33.3	10.5
Cottage Industry	0.9	0.0	0.9
Others	41.4	33.3	41.2
Total	100.0	100.0	100.0
LR = 3.242, p-value = 0.862			

Source: Analysis of Primary Data

Table 9 presents the distribution of business nature and livelihood standards. This table showed that the Agro-based business is a maximum of 17.1 per cent whose livelihood standard is 'Yes'. Here, the likelihood-ratio value is 3.242, and the p-value is 0.862. This result implies that the livelihood standard does not depend on business nature at a 5.0 per cent level of significance.

Relationship between LDS and livelihood standard

The following hypothesis was developed to test the relationship between LDS and livelihood standards.

H₀: There is no significant relationship between LDS and livelihood standards.

H₁: There is a significant relationship between LDS and livelihood standards.

The calculated T statistic (table-10) is significant, with a p-value of less than 0.01. The test results testify that the null hypothesis can be rejected at a 1 per cent level of significance. This result implies a noteworthy relationship between LDS and livelihood standards.

Table 10 LDS and livelihood standard

Paired Differences (Paired Samples Test)								
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference		t	df	Sig. (2-tailed)
				Lower	Upper			
LDS - Livelihood Standard	69.28947	19.30964	1.80851	65.70648	72.87247	38.313	113	.000

Source: Analysis of primary data

CONCLUSION

Among others, the employment level of a country's people is the indicator of the country's development level. Employment is the medium of enriching the livelihood standard of the people of a country. SME financing is a way of developing new businesses and the creation of employment all over the world. It facilitates the development of the livelihood standard of the people through the increase of new entrepreneurs and expands existing entrepreneurs' businesses. The study attempts to realise the contribution of SME financing to the development of the livelihood standard of the people in Bangladesh. Fisher's exact test based on primary data sources indicates a significant relationship between the development of livelihood standards and length of business at a 5 per cent level of significance. On the other hand, there is a significant relationship between the development of livelihood standards and SME finance at a 6.4 per cent level of significance. Other predictor variables such as sex, education level, training on SME of the respondents, ownership type, share of loan, and business nature has no significant relationship with the development of livelihood standard. The pared samples test indicates a positive relationship between LDS and livelihood standards. Alkousini (2021) found a significant positive relationship between SME finance and economic development in Jordan. Adan and Hussain (2021) identified a positive, strong reliance between SMEs' growth, economic growth, and the total number of employees in Malaysia. Song et al. (2022) observed that SME financing significantly impacts GDP growth in Vietnam. Manzoor et al. (2021) identified that the development of SMEs positively influences rural development in Pakistan. The study findings should not be generalised because the small sample size covered only the entrepreneurs in the Mymensingh district. Future

researchers would conduct research with a large sample covering the country to generalise the issue.

ETHICS STATEMENTS

It was assured to the respondents at the time of data collection that the confidentiality of their provided data would be maintained. No respondents' personal information will be disclosed and the provided data will be used only for research. As a researcher, I have fulfilled my commitments. It should be mentioned here that our university has no ethical committee.

AUTHOR STATEMENTS

As a research assistant, Sumaiya Aktar did a literature review and collected data from the respondents. Shakhawat Hossain Sarkar performed data analysis and wrote the whole article.

ACKNOWLEDGMENTS

The article is part of a research project financed by Jatiya Kabi Kazi Nazrul Islam University, Trishal, Mymensingh, Bangladesh.

DECLARATION OF INTERESTS

No known competing financial interests or personal relationships influence the work in this article.

REFERENCES

- Abdin, M. J. (2015). SME cluster development key to speedy industrial growth. *The Financial Express*. Retrieved from <https://joynal.wordpress.com/2015/03/05/sme-cluster-development-key-to-speedy-industrial-growth/> SME cluster development key to speedy industrial growth
- Abdulsaleh, A. M. & Worthington, A. C. (2013). Small and medium-sized enterprises financing: a review of literature. *International Journal of Business and Management*, 8(14), 36-54. doi:10.5539/ijbm.v8n14p36
- Adan, M. & Hussain, S. I. (2021). The Relationship between Economic Growth, Small and Medium Enterprises and the Number of Employees in Malaysia using Vine Copula Approach. *Sains Malaysiana*, 50(8), 2455-2468. <http://doi.org/10.17576/jsm-2021-5008-26>

- Afsana, J., Parvin, A., & Sumon, M. N. S. (2015). SME financing in Bangladesh: a comparison between BASIC bank limited and BRAC bank limited. *ASA University Review*, 9(2), 71-84.
- Alauddin, M. & Chowdhury, M. M. (2015). Small and medium enterprise in Bangladesh-prospects and challenges. *Global Journal of Management and Business Research*, 15 (7) 1, 1-10.
- Alauddin, M., Rahman, M. Z., & Rahman, M. (2015). Investigating the performance of SME sector in Bangladesh: an evaluative study. *International Journal of Small Business and Entrepreneurship Research*, 3(6), 14-28.
- Al-Haddad, L., Sial, M. S., Ali, I., Alam, R., Khuong, N. V., & Khanh, T. H. T. (2019). The role of Small and Medium Enterprises (SMEs) in employment generation and economic growth: a study of marble industry in emerging economy. *International Journal of Financial Research*, 10(6), 174-187. doi:10.5430/ijfr.v10n6p174
- Ali, M. R., Ahmed, R. A., & Islam, M. A. (2019). Cost of external financing of SMEs: a study of a developing country. *International Journal of Financial Engineering*, 6(3), doi.org/10.1142/S2424786319500294
- Alkousini, E. M. (2021). The role of SMEs finance in economic growth, and will their interactions lead to stimulating economic growth in Jordan? *International Journal of Scientific and Research Publications*, 11(10), 509-521. <http://dx.doi.org/10.29322/IJSRP.11.10.2021.p11858>
- Asikhia, O. U. (2010). SMEs and poverty alleviation in Nigeria: marketing resources and capabilities implications. *New England Journal of Entrepreneurship*, 13(2), 57-70. DOI: <https://doi.org/10.1108/NEJE-13-02-2010-B005>
- Bhuiyan, A. B. & Bakar, R. (2014). Entrepreneurship development and poverty alleviation: an empirical review. *Journal of Asian Scientific Research*, 4(10), 558-573.
- Bosri, R. (2016). SME financing practices in Bangladesh: scenario and challenges evaluation. *World Journal of Social Sciences*, 6(2), 39-50.
- Bowale, K. E. & Ilesanmi, A. O. (2014). Determinants of factors influencing capacity of Small and Medium Enterprises (SMEs) in employment creation in Lagos State, Nigeria. *International Journal of Financial Research*, 5(2), 133-141. DOI:10.5430/ijfr.v5n2p133
- Casagrande, A., Spallone, M., Mango, F. M., & Murè, P. (2018). SME development banks: conceptual framework and empirical analysis. *International Journal of Financial Research*, 9(2), 112-121. doi:10.5430/ijfr.v9n2p112
- Chowdhury, M. S. A., Azam, M. K. G., & Islam, S. (2013). Problems and prospects of SME financing in Bangladesh. *Asian Business Review*, 2(2), 51-58. DOI: 10.18034/abr.v2i2.111
- Eniola, A. A. (2014). The role of SME firm performance in Nigeria. *Arabian Journal of Business and Management Review*, 3(12), 33-47.
- Eton, M., Mwosi, F., Okello-Obura, C., Turyehebwa, A. & Uwonda, G. (2021). Financial inclusion and the growth of small medium enterprises in Uganda: empirical evidence from selected

- districts in Lango sub-region. *Journal of Innovation and Entrepreneurship*, 10, 1-23. <https://doi.org/10.1186/s13731-021-00168-2>
- Garcia-Martinez, L. J., Kraus, S., Breier, M. & Kallmuenzer, A. (2023). Untangling the relationship between small and medium-sized enterprises and growth: a review of extant literature. *International Entrepreneurship and Management Journal*, 19, 455-479. <https://doi.org/10.1007/s11365-023-00830-z>
- Gbandi, E. C. & Amisah, G. (2014). Financing options for small and medium enterprises (SMEs) in Nigeria. *European Scientific Journal*, 10(1), 327-340.
- Islam, M. A., Khan, M. A., Obaidullah, A. Z. M., & Alam, M. S. (2011). Effect of entrepreneur and firm characteristics on the business success of small and medium enterprises (SMEs) in Bangladesh. *International Journal of Business and Management*, 6(3), 289-299.
- Islam, M. A., Yousuf, S., & Rahman, M. I. (2014). SME financing in Bangladesh: a comparative analysis of conventional and Islamic banks. *Journal of Islamic Banking and Finance*, 2(1), 79-92.
- Jaabi, S. A. K. (2018). SME finance and economic development paradox: the case of fish industry in the Gambia. *Advances in Social Sciences Research Journal*, 5(9), 61-77. doi.org/10.14738/assrj.59.4790.
- Khandakar, M., Chowdhury, R. S., & Ahmed, S. (2016). A study of the impact of small and medium enterprise financing on the lifestyle of small and medium enterprise loan borrowers. *Australian Journal of Accounting, Economics and Finance*, 2(2), 82-90.
- Manzoor, F., Wei, L., & Sahito, N. (2021). The role of SMEs in rural development: Access of SMEs to finance as a mediator. *PLoS ONE*, 16(3), 1-18. e0247598. <https://doi.org/10.1371/journal.pone.0247598>
- OCDE (2010). SME and entrepreneurship financing: policy responses to the global crisis and the way forward to recovery.
- Panjaitan, J. MP., Darwin, M., Bastian, I., & Sukamdi, S. (2020). What do banks, rural credit institutions, and regulators infer from the current strengths and standing of Indonesian SMEs? *Gadjah Mada International Journal of Business*, 22(1), 1-23.
- Qamruzzaman, M. (2015). Productivity and performance evaluation of SME sector in Bangladesh: evidence from the historical data. *Journal of Islamic Finance and Business Research*, 3(1), 14-22.
- Rahman A., Rahman M. T., & Ključnikov A. (2016). Collateral and SME financing in Bangladesh: an analysis across bank size and bank ownership types. *Journal of International Studies*, 9(2), 112-126. DOI: 10.14254/2071-8330.2016/9-2/8
- Saravanan, S. (2013). Small and medium enterprises financing at syndicate bank regional office, Bangalore. *International Monthly Refereed Journal of Research in Management & Technology*, 2, 123-129.

- Sarkar, S. H., Islam, M. S., & Khalek, M. A. (2018). SME financing for entrepreneurship development: evidence from Bangladesh. *IOSR Journal of Economics and Finance*, 9(6)3, 14-30. DOI: 10.9790/5933-0906031430
- Song, N. V., Mai, T. T. H., Thuan, T. D., Tien, D. V., Phuong, N. T. M., Ha, T. V., Que, N. D., Uan, T. B. (2022). SME financing role in developing business environment and economic growth: empirical evidences from technical SMEs in Vietnam. *Environmental Science and Pollution Research*, 29, 53540–53552. <https://doi.org/10.1007/s11356-022-19528-w>
- Uddin, M. T. (2014). A study on financing of SME's in Bangladesh. *Journal of Economics and Sustainable Development*, 5(11), 161-167.
- Venkatesh, S. & Muthiah, K. (2012). SMEs in India: importance and contribution. *Asian Journal of Management Research*, 2(2), 792-796.
- Zada, M., Shah, S. J., Yukun, C., Rauf, T., Khan, N., & Shah, S. A. A. (2019). Impact of small-to-medium size forest enterprises on rural livelihood: evidence from Khyber-Pakhtunkhwa, Pakistan. *Sustainability*, 11(2989), 1-17. doi:10.3390/su11102989
- Zayed, N. M., Mohamed, I.S., Islam, K. M. A., Perevozova, I., Nitsenko, V., & Morozova, O. (2022). Factors Influencing the Financial Situation and Management of Small and Medium Enterprises. *Journal of Risk and Financial Management*, 15(554), 1-16. <https://doi.org/10.3390/jrfm15120554>